ZIXIN GROUP HOLDINGS
紫心集团控股
(Incorporated in the Republic of Singapore with Unique Entity No.: 200718683N)
Website: **www.zixingroup.com.sg**
SGX stock code: **42W**

INCORPORATION OF A NEW WHOLLY-OWNED SUBSIDIARY

1. The Board of Directors (the "**Board**" or "**Directors**") of Zixin Group Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that it has, through the Company's wholly-owned subsidiary, Zixin International Pte. Ltd., incorporated the following wholly-owned subsidiary:-

(a)	Name of company	Hainan Zixin Sweet Potato Industry Technology Co., Ltd. (海南紫心薯业科技有限公司) ("**Hainan Zixin**")
(b)	Place of incorporation	People's Republic of China
(c)	Date of incorporation	10 December 2025
(d)	Registered share capital	SGD 5,000,000
(e)	Paid-up share capital	SGD 3,000,000
(f)	Shareholding interest	100%
(g)	Principal activities	Processing and production of food, food sales, urban distribution and delivery services (excluding dangerous goods), tourism business, accommodation services and catering services

2. The Group has incorporated Hainan Zixin in order to implement the Company's circular economy business model in the Hainan province and capitalise on the Hainan Free Trade Port's tax incentives[1] and market access to support efficient, sustainable and long-term growth of the Group. The Group intends to leverage on the zero-tariff initiatives under the Hainan Free Trade Port for the export of products to Mainland China, which will be processed in Hainan with imported materials.

3. The incorporation of Hainan Zixin is funded through the net proceeds raised from the share option agreement entered into by the Company on 18 September 2025 and the subsequent exercises of share options on 20 November 2025 (pursuant to the notices of exercise received on 18 November 2025) and 27 November 2025 (pursuant to the notices of exercise received on 26 November 2025) respectively. The incorporation of Hainan Zixin is not expected to have any material impact on the net tangible assets and earnings per share of the Company for the financial year ending 31 March 2026.

[1] On 18 December 2025, the Hainan Free Trade Port ("**FTP**") will officially implement a zero-tariff end "customs closure" system. This initiative, adopted at the 29th Meeting of the Standing Committee of the 13th National People's Congress on 10 June 2021, aims to establish a highly efficient, open, and digitally managed trade environment, marking a significant milestone in Hainan's transformation into a globally competitive free trade hub. Central to these measures are two zero-tariff initiatives, known as the "first line" and "second line" of the port. The first line exempts import duties for goods processed in Hainan that contain imported materials and achieve at least 30% added value upon export to the Chinese mainland. The second line permits eligible entities to import certain goods from overseas to the Hainan FTP without incurring import tariffs, value added tax, or consumption tax. Please refer to the Company's press release dated 17 December 2025 for further details.

4. None of the directors or controlling shareholder(s) of the Company and/or their respective associates has any interest, direct or indirect, in the incorporation of Hainan Zixin (other than through their respective shareholdings in the Company, if any).

By Order of the Board

Liang Chengwang
Executive Chairman and Chief Executive Officer
17 December 2025

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*This announcement has been reviewed by the Company's sponsor, RHB Bank Berhad ("**Sponsor**") in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist.*

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.

The contact person for the Sponsor is Mr Alvin Soh, Head, Corporate Finance, RHB Bank Berhad, at 90 Cecil Street, #03-00 RHB Bank Building, Singapore 069531, telephone (65) 6320 0627.